


Government of the District of Columbia  
Office of the Chief Financial Officer



**Natwar M. Gandhi**  
Chief Financial Officer

**MEMORANDUM**

**TO:** The Honorable Kwame R. Brown  
Chairman, Council of the District of Columbia

**FROM:** Natwar M. Gandhi  
Chief Financial Officer 

**DATE:** June 1, 2012

**SUBJECT:** Fiscal Impact Statement – “Protecting Injured Government Workers Reform Act of 2012”

**REFERENCE:** Draft legislation, shared with the Office of Revenue Analysis on May 23, 2012

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**Conclusion**

Funds are not sufficient in the FY 2012 budget and the proposed FY 2013 through FY 2016 budget and financial plan to implement the proposed bill.

**Background**

The bill would make two changes to the District’s Public Sector Workers’ Compensation Program.<sup>1</sup> First, it would repeal the prohibition on claims for mental stress, emotional conditions, or emotional diseases. Second, it would add to the section on determination of benefits the statement that “in all medical opinions used under this section, the diagnosis or medical opinion of the employee’s treating physician shall be accorded great weight over other opinions, absent compelling reasons to the contrary.” Both of these changes are returning the statutory language to what it was prior to amendment in 2010.<sup>2</sup>

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<sup>1</sup> The bill would amend Title XXIII of the District of Columbia Government Comprehensive Merit Personnel Act of 1978, Public Sector Workers’ Compensation, effective March 3, 1979 (D.C. Law 2-139; D.C. Official Code § 1-623.01 *et seq.*).

<sup>2</sup> The statute was amended in the “Fiscal Year 2011 Budget Support Act of 2010,” effective September 24, 2010 (D.C. Law 18-223; 57 DCMR 6242).

The Honorable Kwame R. Brown

FIS: "Protecting Injured Government Workers Reform Act of 2012," draft legislation, shared with the Office of Revenue Analysis on May 23, 2012

### **Financial Plan Impact**

Funds are not sufficient in the FY 2012 budget and the proposed FY 2013 through FY 2016 budget and financial plan to implement the proposed bill.

The table below outlines the estimated cost of implementing the bill beginning in FY 2013. The emotional damages estimate is the average annual payout to beneficiaries claiming emotional conditions or mental stress as a basis for damages, including an estimate of how many such cases last multiple years. The "great weight" language estimate is the average annual payout to beneficiaries whose claims would have been accepted had great weight been given to the medical opinions of their treating doctors.

<b>Estimated Fiscal Impact of Protecting Injured Government Workers Reform Act of 2012 -- FY 2013-FY 2016</b>					
	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>4 Year Total</b>
Reinstatement of emotional damages	\$52,354	\$91,619	\$117,796	\$130,884	<b>\$392,652</b>
Reinstatement of "great weight" language	\$358,389	\$358,389	\$358,389	\$358,389	<b>\$1,433,556</b>
<b>Total</b>	<b>\$410,743</b>	<b>\$450,008</b>	<b>\$476,185</b>	<b>\$489,273</b>	<b>\$1,826,208</b>